

configuration allows the interconnector to maintain total control from its equipment to the passive bay and to engineer and design its facilities as it sees fit.

V. WAREHOUSING OF SPACE.

¶44 (b). Time limitation.

Section 16.1.2 (A)(6)(a) of Ameritech's tariff states

If the Telephone Company requires the licensed space for Telephone Company use, the customer must begin use of the space as a transmission node or the customer will lose the unused licensed space. Space that is not used within twelve (12) months of the license date will be subject to having the license revoked by the Telephone Company so that the space can be used by the Telephone Company or by another customer.

The only situation in which the tariff would operate against warehousing is when there is no additional space, and there is a need for such space. If this were to happen, and a customer has multiple increments of space and at least one increment of space has not been used within 12 months, then Ameritech would pursue the option of making that space available to the new customer. This is consistent with the letter and the spirit of the FCC's decision to prohibit warehousing of space.

¶44 (c). Additional space.

Ameritech does not refuse to rent additional space to an existing interconnector if space is available.

VI. TERMINATION NOTICE.

¶47 (a). Notice by Ameritech.

The notice periods applicable to Ameritech notifying interconnectors of its intention to terminate the space license arrangement are as follows:

Sec. 16.7.2 -- Non-renewal -- 90 days prior to the end of any term.

Sec. 16.7.9 -- Damage to building/premises -- 30 days after date of occurrence if Ameritech chooses not to repair.

Sec. 16.7.11. (C) -- Failure to make payments -- 30 days prior to termination.

¶47 (b). Notice by interconnector.

The notice periods application to interconnectors notifying Ameritech of their intent to terminate the space license arrangement are as follows:

Sec. 16.7.2 -- Non-renewal -- 90 days prior to the end of any term.

Sec. 16.7.9 -- Damage or destruction after electing to repair -- Any time prior to commencement of repairs.

Sec. 16.7.13 -- Condemnation of more than 40% of premises -- 15 days after notification by Ameritech.

¶47 (c). Differences in notice periods.

Notice periods contained in the above-referenced tariff provisions are based on typical clauses in commercial leases and are reasonable amounts of time based on the circumstances to which the various notice provisions apply.

VII. PERMISSIBLE TERMINATION.

¶50 (a). Termination for cause.

Ameritech's tariff provides for termination of the space license arrangement only for specific acts or failures on the part of the interconnector.

These conditions are listed in section 16.7.11 of the tariff and include:

- Abandonment of the premises
- Failure to make payments (30 day notification)
- Bankruptcy
- Receivership or seizure of assets at the premises
- Failure to use the premises within 12 months
- Continued disruption or threat of harm to Ameritech's employees,

network, or network services.

It is clear that these are breaches of sufficient magnitude to justify termination of the agreement. Unless these material breaches result in termination, Ameritech has absolutely no enforcement mechanism to make sure that the space is occupied in a manner that does not cause disruption to Ameritech's network services in general. Moreover, without these self-executing provisions, the Commission can potentially become drawn into day-to-day central office management issues.

These provisions are consistent with general business practices, including practice within the telephone industry. If a telephone subscriber does not pay for service, its service is disconnected. Termination of the license arrangement is analogous to disconnecting service for non-payment. In fact, if Ameritech permitted physical collocators to remain in the central office without paying, it could be accused of discrimination.

#### VIII. CATASTROPHIC LOSS.

##### ¶54 (a). Repair notification.

In cases in which the premises are partially damaged, Ameritech may cancel the arrangement if it provides notice within 30 days of the date of the occurrence of its intent to do so. Otherwise, it must "repair the damage as soon as reasonably possible." In most cases of partial damage, Ameritech would repair the damage as soon as reasonably possible. In other cases, however, the damage could be so extensive that repairs are impracticable or that repairs would take so long that it would be best to terminate the arrangement to permit the interconnector to seek other premises.

A 30-day notice period is necessary to assure adequate time to effectively assess the damage and determine a proper course of action. If Ameritech decides

to repair the damage, the interconnector's license fee would be reduced in proportion to the degree to which the customer's use of the premises was limited. If the company decides not to make repairs, the interconnector can elect to do the repairs itself at its own expense by notifying the company within 15 days.

If the premises is totally destroyed, the license terminates by its own provisions thus releasing the interconnector from any further obligations. Of course, Ameritech would accommodate the interconnector in the same central office if it is rebuilt or offer space at a different central office to the extent space is available.

IX. RELOCATION PROVISIONS.

¶57 (a). Notice.

Ameritech's tariff currently contains no notice requirement for Ameritech to require relocation within the same building. However, if the need for a move should arise, Ameritech would work with the customer to develop a mutually agreeable schedule. One hundred eighty (180) days notice to the interconnector is required if no space is available in the same building and relocation to a new building is required.

¶57 (b). Conditions for relocation.

The tariff lists no specific conditions required for Ameritech to require relocation within the same building. Since the company will pay the reasonable costs of moving and reconstruction, the provision is not unduly harsh to the interconnector while still giving Ameritech sufficient flexibility to manage its space in a manner that it considers appropriate to its changing business needs. In order for Ameritech to require relocation to another building, Ameritech must

reasonably believe that the premises is needed for equipment or facilities necessary to provide telecommunication services to its customers and the customer cannot reasonably be relocated to other available space in the same building. Again, since the customer's reasonable costs of moving and reconstruction would be paid by Ameritech in this case, the conditions are not unreasonable to the interconnector.

Ameritech has no intention of requiring relocation for the sole purpose of disrupting the business of an interconnector, but it must be allowed the flexibility to relocate an interconnector if the needs of Ameritech's business requires. Again, since Ameritech would be charged with the reasonable costs of relocation in these cases, there is no economic incentive for Ameritech to exercise indiscriminately any rights it may have under these provisions.

¶57 (c). Relocation charges.

As noted above, Ameritech will pay for all reasonable costs of moves incurred at Ameritech's request. This will include the cost of reconstructing improvements at the interconnector's new location.

X. INSURANCE PROVISIONS.

¶63 (a). Coverage levels.

Ameritech maintains the following self-insured retentions with regard to its own central office insurance coverages.

Property Insurance	\$2M per occurrence
Liability Insurance	\$10M per occurrence

Property insurance provides coverage for physical damage to property which Ameritech owns. Liability coverage applies to third-party claims for bodily injury or property damage based on allegations of negligence.

Any loss falling within the self-insured retention carries by Ameritech is an expense to the corporation. Even losses which are covered by and paid for under Ameritech's insurance are reflected in Ameritech's loss experience, and lead to higher insurance costs. The required insurance is therefore not out of line with that carried by Ameritech itself, and is appropriate for interconnectors occupying Ameritech space. Any coverage below Ameritech's deductible exposes Ameritech to risk, ultimately increasing the cost that will be passed on to other customers.

The \$10 million coverage required by Ameritech is also reasonable in relation to the risk that interconnectors create by operating inside Ameritech central offices. The industry is aware of the fire which occurred in the Hinsdale, Illinois, central office a few years ago. A subcontractor recently settled a lawsuit against it for over \$10 million -- the limits of its insurance policy -- relating to that subcontractor's role in that event. Actual experience strongly supports the reasonableness of the \$10 million coverage amount.

¶63 (d). Proof of insurance.

Ameritech requires that the interconnector provide a copy of its certificate of insurance at the start of service and annually thereafter. This a normal business practice. Moreover, insurance companies familiar with this type of practice often automatically send a copy of the certificate to whomever their clients designate. The requirement helps assure that the interconnector does not cancel or reduce coverage during its occupancy of the premises.

XI. LIABILITY PROVISIONS.

¶66 (a). Limitation of liability.

General limitations on Ameritech's liability are contained in Sec. 2.1.3 of Tariff FCC No. 2. As the provision specifically states, the tariff does not limit liability for willful misconduct. Liability for other claims related to service is limited to the proportionate charge for the period service was affected.

Section 16.7.8 of the tariff provides that a customer of Ameritech Central Office Interconnection, involving the license of CO floor space (physical collocation), shall indemnify Ameritech from all claims arising from the customer's use of the premises. Of course the customer would not be responsible for claims due solely to the negligence of Ameritech.

The difference in the provisions is reasonable. The latter provision is an indemnification provision which simply holds the customer responsible for any claims that arise because of its use of Ameritech's space since Ameritech has no supervisory control over the customer's activities in the licensed space.

XII. JURISDICTIONAL BILLING.

¶68 (a). The ten percent rule.

The ten percent rule would apply to expanded interconnection arrangements based on the cross connections to Ameritech's special access services. If more than ten percent of the cross connections are expected to be purchased from the interstate expanded interconnection tariff, then the entire arrangement (ACOI, AMIS or AVOIS) would be considered interstate and purchased from F.C.C. No. 2. In states with intrastate expanded interconnection, if the cross connects are made to less than ten percent interstate special access services, the entire arrangement would be purchased from the intrastate tariff. No matter from what jurisdiction the expanded interconnection arrangement is

purchased, the Electrical Cross Connection Service rate elements would be jurisdictionally the same as the special access services to which they are connected.

### XIII. LETTERS OF AGENCY.

#### ¶72. Honoring letters of agency.

Ameritech has no restriction in its tariff prohibiting the ordering and billing of collocation arrangements by different customers pursuant to appropriate letters of agency. As with any other special access service, Ameritech honors letters of agency.

### XIV. INSPECTION OF INTERCONNECTOR SPACE.

#### ¶77 (a). Provisions for inspection.

Ameritech has two provisions in its tariff dealing with inspection of interconnector space and facilities, sections 16.1.2 and 16.7.25. There is no charge to the interconnector for such inspections.

These inspections -- like Ameritech's inspection of its own space -- are not designed to be an unnecessary burden, but rather to serve legitimate business needs.

There are two general types of inspections that could affect the interconnector: building inspections and equipment-related inspections. There are three events that could generate the need for building inspections. These are:

- Inspections by the engineering department of Ameritech's insurance carrier, generally done every two years. There is usually about 30 days' notice prior to the inspection.
- Ameritech building management employee inspections required by building codes and insurance carriers. This involves inspection of fire



detection devices, fire dampers, etc., including any such equipment located in the interconnector's space. These inspections can be scheduled up to seven days in advance.

- The local fire department routinely visits the building. While access to the interconnector's space would not be expected, there could be exceptions. There is generally up to seven days' advance notice.

Also, equipment-related inspections are made by Ameritech after new equipment is installed. These inspections assure compliance with technical requirements for the safety of the building and the network.

Ameritech anticipates that the number of inspections will be minimal. However, the ability to conduct those inspections should not be arbitrarily limited. Ameritech needs to maintain safety within its own buildings, and the right to make reasonable inspections is crucial to this process.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael S. Pabian", written over a horizontal line.

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Dated: August 20, 1993

## APPENDIX A

This Appendix includes revised responses to the direct case based on Transmittal 730, filed by Ameritech on August 13, 1993. This transmittal proposes modifications to:

(1) Establish DS1 and DS3 terminations on a passive bay as an option to be purchased from Ameritech.

(2) Establish separate DS1 and DS3 repeater rate elements which will be charged only when design parameters require a repeater to maintain signal levels.

¶ 22 (b). Itemized cost information

AMERITECH CENTRAL OFFICE INTERCONNECTION (PHYSICAL)

Termination Equipment Function - Recurring.

This item consists of costs that were included in Ameritech's DS1 and DS3 Termination Panel elements.

The investments are for the prorated share of one DS1 or DS3 termination in a passive point of termination bay and for the prorated share of one DS1 or DS3 termination in a DS1 or DS3 termination panel.

DS1 Cross Connection Equipment Function - Recurring

This item consists of costs associated with the DS1 Repeater element, which is only required if a customer provides a passive device such that the customer's transmission equipment is more than 655 feet from the Ameritech equipment line-up; or if Ameritech provides the passive bay such that the DS1 termination is located more than 85 feet from the DS1 electrical cross connect. The investments include a prorated DS1 portion of a repeater bay and repeater panel, and a DS1 repeater.

DS3 Cross Connection Equipment Function - Recurring.

This item consists of costs associated with the DS3 Repeater element, which is only required if a customer provides a passive device such that the customer's transmission equipment is more than 450 feet from the Ameritech equipment line-up; or if Ameritech provides the passive bay such that the DS1 termination is located more than 27 feet from the DS1 electrical cross connect.

The investments included the prorated DS3 portion of a repeater bay and repeater panel, and a DS3 repeater.

AMERITECH VIRTUAL INTERCONNECTION

Termination Equipment Function - Recurring.

This item includes the costs included in Ameritech's DS3 Point of Termination charge for virtual interconnection. The investments reflect 1/24 of a termination

panel, plus the investment for one termination. The capital costs of cost of capital, depreciation expense, and income tax, as well as the operating expenses of maintenance expense, ad valorem taxes, and gross receipts taxes were developed from these investments.

¶ 22 (h). Cross connection and termination equipment charges.

¶ 22 (h)1). Repeaters.

Ameritech's physical collocation design does not require repeaters to be used unless the transmission limitations stipulated in the tariff for cross-connection are exceeded.

¶ 22 (h)2). Distributed configuration.

Ameritech is not sure what the Commission means by the terms "centralized" and "distributed" in this context. However, this is how Ameritech configures its service:

Where transmission distance limitations for cross-connection are exceeded and repeaters are required, Ameritech provides aggregated repeater bays to serve multiple transmission nodes within a central office. Separate repeater shelves (i.e., not necessarily equipped with plug-ins) are allocated to each interconnector to meet service requirements. One or more bays may be required; however, separate bays and powering is not provisioned on a customer by customer basis.

¶ 22 (h)3). POT bay (passive bay).

Ameritech does not require that it provide a POT frame or POT bay as part of its physical collocation arrangement. If the interconnector chooses, the interconnector may provide some type of cross-connect hardware for LEC terminations within the transmission node.

¶ 31(a). Unbundling.

Ameritech's rate structure for expanded interconnection is highly unbundled. The rate structure for physical collocation, ACOI, contains separate rate elements for Floor Space, Central Office Build Outs, optional DS1 and DS3 Terminations, Connection to the DC Power Supply, DC Power, DS1 and DS3 Repeaters, Cable Pulling and Splicing, Riser Facilities, optional cages and Entrance Facilities. Because it was determined that each customer would have at least two 7 foot equipment bays in the transmission node, the cost of connecting those bays to the DC power supply was included in the Central Office Build Out charge. Disaggregating the rate element would not reduce the charge to the customer.

¶ 41 (a) and (b). Control of channel assignment

Ameritech's Transmittal 730 allows the interconnector to have channel assignment control of all facilities up to and including Ameritech's DSX. With this proposal, Ameritech will terminate the proper cable to the interconnector's designated point of termination located in its space. At the time of initial installation, a cable naming and numbering convention along with channel slot appearance will be provided to the interconnector for its channel assignment control.

When the interconnector requests a cross connect to other services, the interconnector will provide Ameritech with the cable name and pairs(s) number appearance it chooses. Ameritech will place a cross connect from the access service to the designated appearance that the interconnector provided. Revised Appendix K provides a schematic diagram illustrating this process.

**AMERITECH INTERCONNECTION  
RECURRING COSTS**

	<u>CENTRAL OFFICE INTERCONNECTION</u>			<u>VIRTUAL OPTICAL INTERCONNECTION</u>	
	TERMINATION EQUIPMENT FUNCTION	DS-1 CROSS- CONNECTION EQUIPMENT FUNCTION	DS-3 CROSS- CONNECTION EQUIPMENT FUNCTION	TOTAL	TERMINATION EQUIPMENT FUNCTION
<u>CENTRAL OFFICE INTERCONNECTION (ACOIS)</u>					
DS-1 TERMINATION PANEL	\$0.48			\$0.48	
DS-3 TERMINATION PANEL	\$6.11			\$6.11	
DS-1 REPEATER		\$4.99		\$4.99	
DS-3 REPEATER			\$28.94	\$28.94	
<u>VIRTUAL OPTICAL INTERCONNECTION (AVOIS)</u>					
DS-3 POINT OF TERMINATION					\$12.77

NOTE: THE COSTS SHOWN IN EACH COLUMN ARE NOT ADDITIVE DUE TO THE FACT THAT COST ELEMENTS IDENTIFIED IN AMERITECH'S FILING HAVE DIFFERENT COST BASES. FOR EXAMPLE, THE TERMINATION EQUIPMENT FUNCTION INCLUDES COSTS FOR BOTH DS-1 AND DS-3 TERMINATION PANELS. SINCE AMERITECH DEVELOPED ITS COSTS ON EITHER A DS-1 OR A DS-3 TERMINATION, THE COSTS ARE NOT ADDITIVE.

**AMERITECH INTERCONNECTION  
RECURRING RATES**

	<u>CENTRAL OFFICE INTERCONNECTION</u>			<u>VIRTUAL OPTICAL INTERCONNECTION</u>	
	TERMINATION EQUIPMENT FUNCTION	DS-1 CROSS- CONNECTION EQUIPMENT FUNCTION	DS-3 CROSS- CONNECTION EQUIPMENT FUNCTION	TOTAL	TERMINATION EQUIPMENT FUNCTION
<u>CENTRAL OFFICE INTERCONNECTION (ACOIS)</u>					
DS-1 TERMINATION PANEL	\$0.76			\$0.76	
DS-3 TERMINATION PANEL	\$9.65			\$9.65	
DS-1 REPEATER		\$7.88		\$7.88	
DS-3 REPEATER			\$45.72	\$45.72	
<u>VIRTUAL OPTICAL INTERCONNECTION (AVOIS)</u>					
DS-3 POINT OF TERMINATION					\$20.18

NOTE: THE RATES SHOWN IN EACH COLUMN ARE NOT ADDITIVE DUE TO THE FACT THAT RATE ELEMENTS IDENTIFIED IN AMERITECH'S FILING HAVE DIFFERENT BASES FOR APPLYING RATES. FOR EXAMPLE, THE TERMINATION EQUIPMENT FUNCTION INCLUDES RATES FOR BOTH DS-1 AND DS-3 TERMINATION PANELS. SINCE AMERITECH PROPOSES TO CHARGE ON EITHER A DS-1 OR A DS-3 TERMINATION, THE RATES ARE NOT ADDITIVE.

# AMERITECH CENTRAL OFFICE INTERCONNECTION Termination Equipment Function

Recurring Rate

	Rate Element Name #1 DS-1 TERMINATION	Rate Element Name #2 DS-3 TERMINATION	Rate Element Name #3	Rate Element Name #4
1	<b>TOTAL INVESTMENT: List Plant &amp; Equip.</b>	\$22.16	\$282.83	\$
2	<b>POT BAY, ACCOUNT 2230, 7 YRS</b>	\$2.04	\$5.25	\$
3	<b>TERMINATION PANEL, ACCOUNT 2230, 7 YRS</b>	\$20.12	\$277.58	\$
4	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
5	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
6	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
7	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
8	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
9	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
10	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
11	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
12	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
13	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
14	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
15	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
16	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
17	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
18	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
19	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
20	List: Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
21	<b>DEPRECIATION EXPENSE</b>	\$3.70	\$47.25	\$
22	<b>COST OF MONEY (\$ Amount)</b>	\$1.02	\$13.01	\$
23	<b>COST OF MONEY (Percentage)</b>	7.44%	7.44%	%
24	<b>FEDERAL INCOME TAX</b>	\$0.41	\$5.22	\$
25	<b>STATE AND LOCAL INCOME TAX</b>	NOTE 3	NOTE 3	\$
26	<b>OTHER TAX: List Taxes</b>	\$	\$	\$
27	<b>AD VALOREM</b>	\$0.18	\$2.29	\$
28	<b>GROSS RECEIPTS</b>	\$0.06	\$0.76	\$
29	List:	\$	\$	\$
30	List:	\$	\$	\$
31	List:	\$	\$	\$
32	List:	\$	\$	\$
33	<b>MAINTENANCE EXPENSE</b>	\$0.37	\$4.78	\$
34	<b>ADMIN and OTHER EXPENSE: List Expense</b>	\$	\$	\$
35	List: Name - Pt. 32 Acct No.	\$	\$	\$
36	List: Name - Pt. 32 Acct No.	\$	\$	\$
37	List: Name - Pt. 32 Acct No.	\$	\$	\$
38	List: Name - Pt. 32 Acct No.	\$	\$	\$
39	List: Name - Pt. 32 Acct No.	\$	\$	\$
40	List: Name - Pt. 32 Acct No.	\$	\$	\$
41	List: Name - Pt. 32 Acct No.	\$	\$	\$
42	List: Name - Pt. 32 Acct No.	\$	\$	\$
43	List: Name - Pt. 32 Acct No.	\$	\$	\$
44	List: Name - Pt. 32 Acct No.	\$	\$	\$
45	List: Name - Pt. 32 Acct No.	\$	\$	\$
46	List: Name - Pt. 32 Acct No.	\$	\$	\$
47	List: Name - Pt. 32 Acct No.	\$	\$	\$
48	List: Name - Pt. 32 Acct No.	\$	\$	\$
49	List: Name - Pt. 32 Acct No.	\$	\$	\$
50	List: Name - Pt. 32 Acct No.	\$	\$	\$
51	<b>ANNUAL COST PER UNIT</b>	\$5.74	\$73.31	\$
52	<b>MONTHLY COST PER UNIT</b>	\$0.48	\$6.11	\$
53	<b>MONTHLY RATE PER UNIT</b>	\$0.76	\$9.65	\$
54	<b>UNIT OF MEASUREMENT</b>	PER DS-1 PANEL	PER DS-3 PANEL	
55	<b>RATIO: Monthly Rate / Direct Cost</b>	1.65	1.65	
56	<b>RATIO: Monthly Rate / Unit Cost</b>	1.58	1.58	

Notes:

- (1) The Termination Equipment Function includes all equipment in or adjacent to the interconnector's space that is used for cross-connection functions, except the cross-connection itself, e.g., POT frames, DSX boards, as well as equipment bays and other equipment installed by the LEC in the interconnector's space.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per 100 square foot arrangement.
- (3) Row 25: State Income Tax dollars are included in Federal Income Tax



# AMERITECH CENTRAL OFFICE INTERCONNECTION DS1 Cross-Connection Equipment Function

Recurring Rate

	Rate Element Name #1 DS-1 REPEATER	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
1	TOTAL INVESTMENT: List Plant & Equip.	\$230.88		
2	REPEATER BAY, ACCOUNT 2230, 7 YRS	\$22.95		
3	REPEATER PANEL, ACCOUNT 2230, 7 YRS	\$0.87		
4	REPEATER, ACCOUNT 2230, 7 YRS	\$207.06		
5	List: Name - Pt. 32 Acct No. - Dep. Life			
6	List: Name - Pt. 32 Acct No. - Dep. Life			
7	List: Name - Pt. 32 Acct No. - Dep. Life			
8	List: Name - Pt. 32 Acct No. - Dep. Life			
9	List: Name - Pt. 32 Acct No. - Dep. Life			
10	List: Name - Pt. 32 Acct No. - Dep. Life			
11	List: Name - Pt. 32 Acct No. - Dep. Life			
12	List: Name - Pt. 32 Acct No. - Dep. Life			
13	List: Name - Pt. 32 Acct No. - Dep. Life			
14	List: Name - Pt. 32 Acct No. - Dep. Life			
15	List: Name - Pt. 32 Acct No. - Dep. Life			
16	List: Name - Pt. 32 Acct No. - Dep. Life			
17	List: Name - Pt. 32 Acct No. - Dep. Life			
18	List: Name - Pt. 32 Acct No. - Dep. Life			
19	List: Name - Pt. 32 Acct No. - Dep. Life			
20	List: Name - Pt. 32 Acct No. - Dep. Life			
21	DEPRECIATION EXPENSE	\$38.57		
22	COST OF MONEY (\$ Amount)	\$10.62		
23	COST OF MONEY (Percentage)	7.44%		
24	FEDERAL INCOME TAX	\$4.26		
25	STATE AND LOCAL INCOME TAX	NOTE 3		
26	OTHER TAX: List Taxes			
27	List: Property Tax			
28	AD VALOREM	\$1.87		
29	GROSS RECEIPTS	\$0.62		
30	List:			
31	List:			
32	List:			
33	MAINTENANCE EXPENSE	\$3.90		
34	ADMIN and OTHER EXPENSE: List Expense			
35	List: Name - Pt. 32 Acct No.			
36	List: Name - Pt. 32 Acct No.			
37	List: Name - Pt. 32 Acct No.			
38	List: Name - Pt. 32 Acct No.			
39	List: Name - Pt. 32 Acct No.			
40	List: Name - Pt. 32 Acct No.			
41	List: Name - Pt. 32 Acct No.			
42	List: Name - Pt. 32 Acct No.			
43	List: Name - Pt. 32 Acct No.			
44	List: Name - Pt. 32 Acct No.			
45	List: Name - Pt. 32 Acct No.			
46	List: Name - Pt. 32 Acct No.			
47	List: Name - Pt. 32 Acct No.			
48	List: Name - Pt. 32 Acct No.			
49	List: Name - Pt. 32 Acct No.			
50	List: Name - Pt. 32 Acct No.			
51	ANNUAL COST PER UNIT	\$59.84		
52	MONTHLY COST PER UNIT	\$4.99		
53	MONTHLY RATE PER UNIT	\$7.88		
54	UNIT OF MEASUREMENT	PER DS-1 REPEATER		
55	RATIO: Monthly Rate / Direct Cost	1.65		
56	RATIO: Monthly Rate / Unit Cost	1.58		

**Notes:**

- (1) The Cross-Connection Equipment Function includes costs for all equipment between the interconnectors space and the LEC's MDF, e.g., repeaters. Excluded is cable, cable support, and all termination equipment.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per DS1 arrangement, etc.
- (3) Row 25: State Income Tax dollars are included in Federal Income Tax

AMERITECH  
CENTRAL OFFICE INTERCONNECTION  
DS3 Cross-Connection  
Equipment Function

Recurring Rate

	Rate Element Name #1 DS-3 REPEATER	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
1	TOTAL INVESTMENT: List Plant & Equip.	\$1,339.76		\$
2	REPEATER BAY, ACCOUNT 2230, 7 YRS	\$107.09		\$
3	REPEATER PANEL, ACCOUNT 2230, 7 YRS	\$12.55		\$
4	REPEATER, ACCOUNT 2230, 7 YRS	\$1,220.12		\$
5	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
6	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
7	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
8	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
9	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
10	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
11	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
12	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
13	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
14	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
15	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
16	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
17	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
18	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
19	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
20	List: Name - Pt. 32 Acct No. - Dep. Life	\$		\$
21	DEPRECIATION EXPENSE	\$223.83		\$
22	COST OF MONEY (\$ Amount)	\$61.64		\$
23	COST OF MONEY (Percentage)	7.44%		%
24	FEDERAL INCOME TAX	\$24.72		\$
25	STATE AND LOCAL INCOME TAX	NOTE 3		\$
26	OTHER TAX: List Taxes	\$		\$
27	AD VALOREM	\$10.86		\$
28	GROSS RECEIPTS	\$3.58		\$
29	List:	\$		\$
30	List:	\$		\$
31	List:	\$		\$
32	List:	\$		\$
33	MAINTENANCE EXPENSE	\$22.65		\$
34	ADMIN and OTHER EXPENSE: List Expense	\$		\$
35	List: Name - Pt. 32 Acct No.	\$		\$
36	List: Name - Pt. 32 Acct No.	\$		\$
37	List: Name - Pt. 32 Acct No.	\$		\$
38	List: Name - Pt. 32 Acct No.	\$		\$
39	List: Name - Pt. 32 Acct No.	\$		\$
40	List: Name - Pt. 32 Acct No.	\$		\$
41	List: Name - Pt. 32 Acct No.	\$		\$
42	List: Name - Pt. 32 Acct No.	\$		\$
43	List: Name - Pt. 32 Acct No.	\$		\$
44	List: Name - Pt. 32 Acct No.	\$		\$
45	List: Name - Pt. 32 Acct No.	\$		\$
46	List: Name - Pt. 32 Acct No.	\$		\$
47	List: Name - Pt. 32 Acct No.	\$		\$
48	List: Name - Pt. 32 Acct No.	\$		\$
49	List: Name - Pt. 32 Acct No.	\$		\$
50	List: Name - Pt. 32 Acct No.	\$		\$
51	ANNUAL COST PER UNIT	\$347.28		\$
52	MONTHLY COST PER UNIT	\$28.94		\$
53	MONTHLY RATE PER UNIT	\$45.72		\$
54	UNIT OF MEASUREMENT	PER DS-1 REPEATER		
55	RATIO: Monthly Rate / Direct Cost	1.65		
56	RATIO: MonthlyRate / Unit Cost	1.58		

## Notes:

- (1) The Cross-Connection Equipment Function includes costs for all equipment between the interconnectors space and the LEC's MDF, e.g., repeaters. Excluded is cable, cable support, and all termination equipment.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per DS1 arrangement, etc.
- (3) Row 25: State Income Tax is included in Federal Income Tax

**AMERITECH**  
**Virtual Interconnection**  
**Termination Equipment Function**

Recurring Rate				
	Rate Element Name #1 Digital X-Conn. Panel DSX-3	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
1	TOTAL INVESTMENT	\$14,312.60		
2	DSX-3 PANEL - ACCT. 5240 - 7 YRS.	\$297.46	\$	\$
3	DSX-3 TERMINATIONS - ACCT. 5240 - 7 YRS.	\$14,015.14	\$	\$
4	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
5	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
6	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
7	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
8	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
9	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
10	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
11	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
12	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
13	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
14	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
15	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
16	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
17	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
18	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
19	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
20	List Name - Pt. 32 Acct No. - Dep. Life	\$	\$	\$
21	DEPRECIATION EXPENSE	\$98.65	\$	\$
22	COST OF MONEY (\$ Amount)	\$27.16	\$	\$
23	COST OF MONEY (Percentage)	0.5220	%	%
24	FEDERAL INCOME TAX	\$10.69	\$	\$
25	STATE AND LOCAL INCOME TAX (NOTE 3)		\$	\$
26	OTHER TAX: List Taxes	\$	\$	\$
27	List Property Tax	\$	\$	\$
28	AD VALOREM TAX	\$4.78	\$	\$
29	GROSS RECEIPTS TAX	\$1.77	\$	\$
30	List	\$	\$	\$
31	List	\$	\$	\$
32	List	\$	\$	\$
33	MAINTENANCE EXPENSE	\$9.98	\$	\$
34	ADMIN and OTHER EXPENSE: List Expense	\$	\$	\$
35	List Name - Pt. 32 Acct No.	\$	\$	\$
36	List Name - Pt. 32 Acct No.	\$	\$	\$
37	List Name - Pt. 32 Acct No.	\$	\$	\$
38	List Name - Pt. 32 Acct No.	\$	\$	\$
39	List Name - Pt. 32 Acct No.	\$	\$	\$
40	List Name - Pt. 32 Acct No.	\$	\$	\$
41	List Name - Pt. 32 Acct No.	\$	\$	\$
42	List Name - Pt. 32 Acct No.	\$	\$	\$
43	List Name - Pt. 32 Acct No.	\$	\$	\$
44	List Name - Pt. 32 Acct No.	\$	\$	\$
45	List Name - Pt. 32 Acct No.	\$	\$	\$
46	List Name - Pt. 32 Acct No.	\$	\$	\$
47	List Name - Pt. 32 Acct No.	\$	\$	\$
48	List Name - Pt. 32 Acct No.	\$	\$	\$
49	List Name - Pt. 32 Acct No.	\$	\$	\$
50	List Name - Pt. 32 Acct No.	\$	\$	\$
51	ANNUAL COST PER UNIT	\$153.25	\$	\$
52	MONTHLY COST PER UNIT	\$12.77		
53	MONTHLY RATE PER UNIT	\$20.18		
54	UNIT OF MEASUREMENT	Per Termination		
55	RATIO: Rate / Direct Cost	1.61		
56	RATIO: Rate / Unit Cost	1.58		

Notes:

- (1) The Termination Equipment Function includes all equipment in or adjacent to the interconnector's space that is used for cross-connection functions, except the cross-connection itself, e.g., POT frames, DSX boards, as well as equipment bays and other equipment installed by the LEC in the interconnector's space.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per 100 square foot arrangement.
- (3) State Income Tax dollars are included in Federal Income Tax.

**AMERITECH MODEL OFFICE – Cost of Providing 100 DS1s**  
**Cost to the Customer when Customer provides the Passive Device**

1. Nonrecurring Charges	Rate Under Investigation	REQ/ 100 DS1	Total Nonrec.	RAF	RAF'ed Rate	RAF'ed Total Nonrec.
Order Charge	\$531.16	1	\$531.16	100.00%	\$531.16	531.16
Central Office Buildout	\$46,900.55	1	\$46,900.55	90.85%	\$42,609.15	42609.15
Splicing Per Fiber						
Initial Fiber	\$193.19	1	\$193.19	100.00%	\$193.19	193.19
Subsequent Fibers	\$15.06	23	\$346.38	100.00%	\$15.06	346.38
Splice Testing						
Initial Fiber	\$44.21	1	\$44.21	100.00%	\$44.21	44.21
Subsequent Fibers	\$2.61	23	\$60.03	100.00%	\$2.61	60.03
Cable Placmnt – MH to Vlt.						
First Foot	\$209.08	1	\$209.08	100.00%	\$209.08	209.08
Per Additional Foot	\$1.04	369	\$383.76	100.00%	\$1.04	383.76
Cable Placmnt – Vlt. to Node						
First Foot	\$78.08	1	\$78.08	100.00%	\$78.08	78.08
Per Additional Foot	\$0.77	361	\$277.97	100.00%	\$0.77	277.97
Total Nonrecurring Charges			\$49,024.41			\$44,733.01
Equivalent Monthly Payment Over 5 Years @11.25 interest			\$1,072.03			\$978.19
2. Recurring Charges	Rate Under Investigation	REQ/ 100 DS1s	Total Monthly	RAF	RAF'ed Rate	Total Monthly
CO Floor Space/Sq. Ft.	\$4.05	100	\$405.00	100.00%	\$4.05	\$405.00
Riser Space (Per Ft.)	\$1.88	362	\$680.56	100.00%	\$1.88	\$680.56
Entrance Conduit (Per Innerduct Ft.)	\$0.06	370	\$22.20	100.00%	\$0.06	\$22.20
48 Volt DC Power (per Fuse Amp)	\$7.99	15	\$119.85	100.00%	\$7.99	\$119.85
Electrical Cross Connection DS1	\$6.89	100	\$689.00	100.00%	\$6.89	\$689.00
Total Recurring Charges			\$1,916.61			\$1,916.61
Total Monthly Cost			\$2,988.64			\$2,894.80
Mo. Cost Per DS1			\$29.89			\$28.95

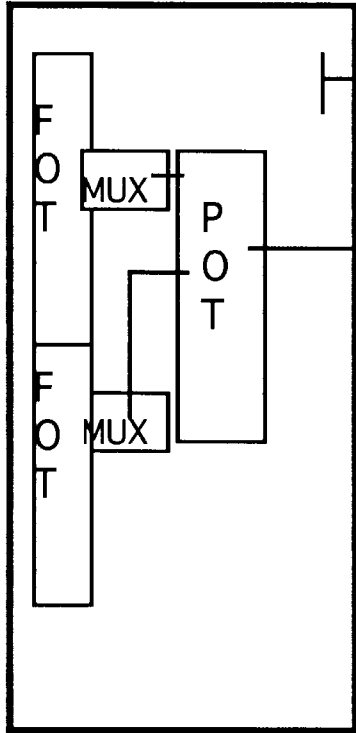
Revision to  
Appendix G

**AMERITECH MODEL OFFICE – Cost of Providing 100 DS1s**  
**Cost to the Customer when Customer purchases DS1 Terminations from Ameritech**

1. Nonrecurring Charges	Rate Under Investigation	REQ/ 100 DS1	Total Nonrec.	RAF	RAF'ed Rate	RAF'ed Total Nonrec.
Order Charge	\$531.16	1	\$531.16	100.00%	\$531.16	531.16
Central Office Buildout	\$46,900.55	1	\$46,900.55	90.85%	\$42,609.15	42609.15
Splicing Per Fiber						
Initial Fiber	\$193.19	1	\$193.19	100.00%	\$193.19	193.19
Subsequent Fibers	\$15.06	23	\$346.38	100.00%	\$15.06	346.38
Splice Testing						
Initial Fiber	\$44.21	1	\$44.21	100.00%	\$44.21	44.21
Subsequent Fibers	\$2.61	23	\$60.03	100.00%	\$2.61	60.03
Cable Placmnt – MH to Vlt.						
First Foot	\$209.08	1	\$209.08	100.00%	\$209.08	209.08
Per Additional Foot	\$1.04	369	\$383.76	100.00%	\$1.04	383.76
Cable Placmnt – Vlt. to Node						
First Foot	\$78.08	1	\$78.08	100.00%	\$78.08	78.08
Per Additional Foot	\$0.77	361	\$277.97	100.00%	\$0.77	277.97
Total Nonrecurring Charges			\$49,024.41			\$44,733.01
Equivalent Monthly Payment Over 5 Years @10% interest			\$1,072.03			\$978.19
2. Recurring Charges	Rate Under Investigation	REQ/ 100 DS1s	Total Monthly	RAF	RAF'ed Rate	Total Monthly
CO Floor Space/Sq. Ft.	\$4.05	100	\$405.00	100.00%	\$4.05	\$405.00
Riser Space (Per Ft.)	\$1.88	362	\$680.56	100.00%	\$1.88	\$680.56
Entrance Conduit (Per Innerduct Ft.)	\$0.06	370	\$22.20	100.00%	\$0.06	\$22.20
48 Volt DC Power (per Fuse Amp)	\$7.99	15	\$119.85	100.00%	\$7.99	\$119.85
Electrical Cross Connection DS1	\$6.89	100	\$689.00	100.00%	\$6.89	\$689.00
DS1 Terminations	\$0.74	100	\$74.00	100.00%	\$0.74	\$74.00
Total Recurring Charges			\$1,990.61			\$1,990.61
Total Monthly Cost			\$3,062.64			\$2,968.80
Total Cost Per DS1			\$30.63			\$29.69

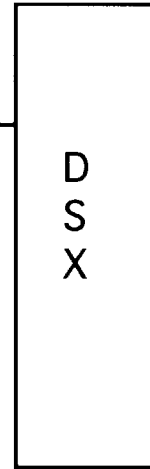
Revision to  
Appendix G

Interconnector  
space

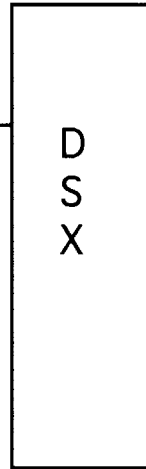


Ameritech provided cable, channel  
assignment controlled by Interconnector

cabling



Access to  
other  
services



## APPENDIX B

**AMERITECH CENTRAL OFFICE INTERCONNECTION  
RECURRING COSTS**

	ENTRANCE FACILITY SPACE FUNCTION	FLOOR SPACE FUNCTION	TERMINATION EQUIPMENT FUNCTION	DC POWER GENERATION FUNCTION	DS-1 CROSS- CONNECTION CABLE AND CABLE SUPPORT FUNCTION	DS-3 CROSS- CONNECTION CABLE AND CABLE SUPPORT FUNCTION	DS-1 CROSS- CONNECTION EQUIPMENT FUNCTION	DS-3 CROSS- CONNECTION EQUIPMENT FUNCTION	TOTAL
CONDUIT	\$0.04								\$0.04
RISER SPACE	\$0.01				\$1.12	\$0.06			\$1.19
FLOOR SPACE		\$257.95	\$58.25		\$8.08	\$6.39	\$159.49	\$8.32	\$498.48
48 VOLT DC POWER				\$5.06					\$5.06
DS-1 CROSS CONNECT					\$4.37		\$4.47		\$8.84
DS-3 CROSS CONNECT						\$0.64		\$36.03	\$36.67
DS-1 TERMINATION PANEL			\$24.37		\$8.48		\$167.82		\$200.67
DS-3 TERMINATION PANEL			\$144.08			\$115.62		\$171.12	\$430.82

NOTE: THE COSTS SHOWN IN EACH COLUMN ARE NOT ADDITIVE DUE TO THE FACT THAT COST ELEMENTS IDENTIFIED IN AMERITECH'S FILING HAVE DIFFERENT BASES FOR APPLYING RATES. FOR EXAMPLE, THE CONDUIT COST IN THE ENTRANCE FACILITY SPACE FUNCTION ELEMENT IS BASED ON A PER INNERDUCT FOOT BASIS, WHILE THE RISER SPACE COST IS ON A PER FOOT BASIS.



**AMERITECH CENTRAL OFFICE INTERCONNECTION  
NONRECURRING COSTS**

	ENTRANCE FACILITY INSTALLATION FUNCTION	ENTRANCE FACILITY SPACE FUNCTION	COMMON CONSTRUCTION FUNCTION	DC POWER INSTALLATION FUNCTION	INTERCONNECTOR SPECIFIC CONSTRUCTION FUNCTION	SECURITY INSTALLATION FUNCTION	ACTIVE SECURITY FUNCTION	DS-1 CONSTRUCTION PROVISIONING FUNCTION	TOTAL
VAULT SPLICING (INITIAL FIBER)	\$122.27								\$122.27
VAULT SPLICING (SUBSEQUENT FIBER)	\$9.53								\$9.53
SPLICE TESTING (INITIAL FIBER)	\$27.98								\$27.98
SPLICE TESTING (SUBSEQUENT FIBERS)	\$1.65								\$1.65
CABLE PULL MANHOLE TO VAULT (FIRST FOOT)	\$132.33								\$132.33
CABLE PULL MANHOLE TO VAULT (ADDITIONAL FEET)	\$0.66								\$0.66
CABLE PULL VAULT TO TRANS. NODE (FIRST FOOT)		\$49.42							\$49.42
CABLE PULL VAULT TO TRANS. NODE (ADDITIONAL FEET)		\$0.49							\$0.49
CENTRAL OFFICE BUILDOUT			\$7,861.41	\$13,477.59	\$207.55	\$6,573.49	\$846.00		\$28,966.04
TRANSMISSION NODE ENCLOSURE					\$3,637.93				\$3,637.93
ABILITY TO CONNECT ONE 7 FT. BAY TO C.O. DC POWER				\$10,474.13					\$10,474.13
ORDER CHARGE								\$336.18	\$336.18

NOTE: THE CENTRAL OFFICE BUILDOUT COST WAS \$29,683.69. THE DIFFERENCE BETWEEN THE FILED COST AND THE COST SHOWN ON THIS SUMMARY IS THE CARRIER ACCESS BILLING CHARGE AS SHOWN ON APPENDIX 2, PAGE 7 OF 12 IN AMERITECH TRANSMITTAL NUMBER 697.